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and incorporate new day

NSC BRIEFING

1 December 1954

CHINESE OFFSHORE ISLANDS

- Chinese Communist harassment of Nationalist-held offshore I. islands expected to continue through winter.
 - A. During most of November Communists concentrated on Tachens group, possibly in effort to induce Nationalist withdrawal.
 - B. There was only minor action against Quemoy and Matsu groups.
 - C. Communists on 26 November conducted naval shelling of Wuchiu, tiny isolated island between Quemoy and Matsus.
 - D. Some possibility of Communist submarine activity in offshore island waters.
- Communist amphibious assaults on all three of major offshore groups will remain possible throughout winter, as weather clears for several days at time.
 - A. Peiping still appears uncertain, however, as to US intentions as regards defense of these major groups.
 - Moreover, assaults on Tachens and Quemoys would В. be costly even against Nationalist opposition alone.
- Of major island groups, Tachens appear most vulnerable to Communist harassment short of invasion, as these islands are at end of Taipei's longest supply line

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(over 200 miles from ports in northern Formosa).

- A. Communist air power can hamper Tachen supply

 25X1X4

 by attacks on approaching vessels and one good

 harbor.

 Communist air
 field under construction near Haimen. Nationalist

 commander in Tachens reportedly told he can expect

 little if any air support.
- B. Communists could also hinder supply by artillery 25X1C8b fire from islands to north and west.

several new Communist artillery sites on these islands near Tachens.

25X1C8b

- C. Sinking of Nationalist destroyer escort near Tachens on 14 November may discourage Taipei from risking further losses of major combat vessels in Tachens area. If so, Tachens and shipping in area would be more vulnerable to Communist naval fire.
- D. Communists could also weaken Tachens by repeated bombing and artillery attacks on targets on islands themselves.
- E Short of supplies, and under repeated attacks, morale of Nationalist garrison in Tachens would certainly deteriorate.
- Deterioration could be hastened by Communist capture of smaller outlying islands to north and south of Tachens--Yushans and Ichiang to

north, Pishan and Nanchishan to south--most of which were bombed during November.

Although current Nationalist intention is to fight for Tachens if necessary, Taipei might decide to withdraw its forces from Tachens if faced with weakening Tachens garrison and loss of smaller nearby islands.

This pattern of Communist harassment could be extended to Matsus and Quemoys.

- A. Communists reported to be preparing artillery positions on mainland northwest of Matsus. First raid on Matsus by Communist frogman took place 20 November.
- B. Quemoys have been shelled intermittently since early November.
- TY. Chinese Communist action against Wuchiu island on 26 November greatly exaggerated by press.
 - A. Action did not involve Communist landing-attempt,
 only shelling by several Chinese Communist
 gundboats for period of one hour.
 - AB. Incorrect version result of mistake by Nationalist commander on Wuchiu, who erroneously sent code number for landing rather than bombardment.
 - C. Most recent report from Wuchiu was that

 Nationalist flag still flying on night of 26

 November: (This obviously outdated.)

B. ALL AGREE ISLAND SHELLED BY SEVERAL PATROL VESSEZS 26 Nov. Approved For Release 2000/08/30: CIA-RDP80R01443R000300160003-0

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C. THIS SEAN SUCH SHELLING IN 1954.

D. CLAIM SHELLING FOLLOWED BY LANDING ATTEMPT.

D. Some question as to why Communists bothered with Wuchiu, as of no strategic importance either in

itself or as base for attacks. ISLAND WOULD MAKE ADVANCE BASE FOR COMMIES. F. One speculation is that Communists were trying

to draw major Nationalist vessels into submarine

trap, in light of recent reports of sub sightings. There are four recent indications of Possible Communist

submarine activity in offshore island waters. 25X1C8b1

of waters around Nanchishan Island most southwesterly island of Tachens command indicates possible presence of submarine of Soviet Medium class, in addition to three LST's and one apparent subchaser.

- A. Nationalist DE sunk on 14 November may have been hit by surfaced submarine rather than by torpedo boats as reported.
- On 26 November a Chinese Nationalist destroyer escort reportedly made sonar contact 14 miles southeast of Tachens. Nationalists believe contact was submarine.
- O. Nationalist officer reports sighting of submarine about two miles west of Wuchiu on 26 November, about time of Communist naval shelling.

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E MANY NAT- REPORTED SIGHTINGS BELIEVED FALSE/LOUBITULES

- E, Chinese Communist navy believed to have three to six submarines, of coastal and long-range type, based at Tsingtao. These have been in training status and were not believed capable of operating as far from base as these reports suggest.
- EF. Confirmation of recent reports would have major significance for Nationalist navy and perhaps for US 7th Fleet units in coastal waters as well.